

BASIC FOUNDATION PROGRAM

FY 2014-15

DEFINE PROGRAM EXPENDITURE LEVEL

DEFINE MANDATORY TAX EFFORT

PROGRAM COST - TAXES RAISED = STATE AID

WPUs X \$2,972 - LOCAL PROPERTY TAX REVENUE [0.001419 (Actual) Tax Rate] = STATE AID

<u>DISTRICT A</u> (Non-Recapture District)		<u>DISTRICT B</u> (Recapture District) ¹	
1,000 WPUs		1,000 WPUs	
0.000100 Tax Rate Raises:		0.000100 Tax Rate Raises:	
	\$ 30,000		\$ 300,000
1,000 WPUs X \$2,972 =		1,000 WPUs X \$2,972 =	
Less Tax Revenue		Less Tax Revenue	
0.001419		0.001419	
	\$2,972,000		\$2,972,000
	<u>425,700</u>		<u>4,257,000</u>
STATE AID		STATE AID	
	\$2,546,300		\$(1,285,000)
STATE GIVES DISTRICT		DISTRICT GIVES STATE	
	\$2,546,300		\$1,285,000
TOTAL DISTRICT REVENUE		TOTAL DISTRICT REVENUE	
	<u>\$2,972,000</u>		<u>\$2,972,000</u>

NOTE:

To change from Old Utah Mill to Present Tax Rate, DIVIDE by 5,000. Example: 7.0950 /5,000 = 0.001419
 To change from Present Tax Rate to Old Utah Mill, MULTIPLY by 5,000. Example: 0.001419 X 5,000 =7.0950

H:\WPDATA\TAXES\BasicGuarantee.wpd

¹The 1995 Legislature significantly reduced the FY 1995-96 (Tax Year 1995) Basic Rate levy and resultant tax yield. As a result of this initial reduction and further reductions by subsequent legislative actions, no basic rate revenue was recaptured from any school district from FY 1995-96 until FY2008-09.